

August 1, 2002

TO ALL PARTICIPANTS IN GSA'S CENTRALIZED HOUSEHOLD GOODS TRAFFIC MANAGEMENT PROGRAM

This Request for Offers (RFO) transmits the issuance of the **2002-2003** Filing Cycle Special Instructions for the filing of rates in the General Service Administration's (GSA's) Centralized Household Goods Traffic Management Program (CHAMP) specific to the Filing Cycle for the period **November 1, 2002, through October 31, 2003**. These Special Instructions are in accordance with the Household Goods Tender of Service (HTOS) (refer to Request for Offers (RFO) Section 2-4). Participants who are approved to participate in CHAMP and have agreed to abide by the terms of the HTOS, supplements thereto and reissues thereof, are eligible to file rates in accordance with these instructions.

Please note the following significant items and/or changes to the 2002-2003 filing cycle Special Instructions:

1. **Household Goods Tender of Service (HTOS):** The Household Goods Tender of Service (HTOS) is a combination of the Domestic Tender of Service (DTOS) effective January 2, 1996 and the International Tender of Service (ITOS) effective October 1, 1995. The HTOS has been officially published effective **June 12, 2002**, and is available on GSA's web site at: [www.kc.gsa.gov/fsstt](http://www.kc.gsa.gov/fsstt).
2. **Application of Industrial Funding Fee (IFF):** Effective with this RFO, GSA is amending the current IFF from \$145 per shipment to:
  - A. Domestic: The new IFF will be 2.50% of the net shipment charges of a household goods surface shipment, privately owned vehicle (POV), or unaccompanied air baggage (UAB) to include the line-haul, accessorial, and packing charges. Storage in transit (SIT) fees are excluded. The method of collection will remain the same, where carriers will continue to collect and remit the appropriate IFF to GSA based on 2.50% of the net charges. **(please refer to RFO Section 2-7.6 for a further explanation and information on how the IFF must be applied on multiple element shipments.)**
  - B. International: The new IFF will be 1.50% of the net shipment charges of a household goods surface shipment, privately owned vehicle (POV), or unaccompanied air baggage (UAB) to include the line-haul, accessorial, and packing charges. Storage in transit (SIT) fees are excluded. The method of collection will remain the same, where carriers will continue to collect and remit the appropriate IFF to GSA based on 1.50% of the net charges. **(please refer to RFO Section 2-7.6 for a further explanation and information on how the IFF must be applied on multiple element shipments.)**
3. **Verification of Industrial Funding Fee (IFF):** To ensure that the GSA IFF for every shipment is properly accounted for and appropriately applied to the quarter for which the submission is received, GSA is requesting in RFO **Section 2-7.6** that carriers furnish shipment identifying information either on or appended to the check register.

4. **Reweighing of Shipments Which Exceed 18,000 Pounds:** Prior to the commencement of the unloading of a shipment weighed at origin which exceeds the 18,000 pound maximum weight allowance, the carrier shall reweigh the shipment at destination. This reweigh must take place at a supervised scale and be conducted by an authorized weigh master. The charges to the Federal agency shall be based on the lower of the two weights and copies of both sets of weight tickets shall be provided to the Federal agency prior to submitting the invoice for payment.
5. **International Fuel Surcharge:** Effective with this RFO, an international Participant can only be compensated for a fuel surcharge on that portion of the shipment which was handled under traffic in the conterminous United States to the port of debarkation and from the port of embarkation to a location in the conterminous United States.
6. **Calculation of Unaccompanied Air Baggage Charges:** Effective with this RFO, all unaccompanied air baggage shipments will be post-audited based on the following formula: dimension of container divided by 166 (converts to volume kilogram) x 45.36 x base line rate x carrier percentage. Volume weight is defined as the length, times the width, times the height (in inches), divided by 166 and multiplied by 0.4536. (RFO Section 2-7.2.1.3. & 2-7.2.2.4.)
7. **Non-Temporary Storage:**  
Tender rates will apply into the carrier warehouse for non-temporary storage. Rates for monthly non-temporary storage per each hundred pounds and rates for full value protection per each \$100 of value must be negotiated between the carrier and the federal agency.
8. **Coniferous Wood Restriction:**  
The European Union has addressed regulations that ban shipments in containers made from coniferous wood due to pinewood nematode infestation. Shipments moving from the United States, Canada, China, or Japan must not contain any coniferous wood and must have the ink seal stamped on the side of the container. Any containers that do not meet this requirement may be subject to confiscation and disposal.
9. **Late Filings and Supplemental Filings:**  
The time period for submitting Late and Supplemental Filings has been changed. Participants may submit Late or Supplemental Filings between **January 15, 2003, and March 3, 2003** (RFO Section 1-2.).
10. **International Performance Bond:** All Participants approved to provide International General Transportation Services are required as part of its filing to furnish a performance bond, including Attachment 1 to this RFO, in accordance with the HTOS (Section 2-4.7) and subject to the provisions of RFO Section 1-4. The performance bond MUST clearly identify that the bond is in force for the period **November 1, 2002, through October 31, 2002**, or later. A Certification of Continuation of Bond is acceptable. **A performance bond or Certification**

**of Continuation of Bond currently on file does not satisfy this requirement and copies will not be accepted. Bonds must be resubmitted with a Participant's filing.**

11. Special Agency Provisions - Alternating: In addition to offers for general transportation rates, Participants have the option to file:

A. Alternating Rate Offers: Participants may file alternating, agency-specific rates as identified in **RFO Section 5-1**. Alternating rate offers will specifically apply to those Federal agencies/locations identified in **Section 5-1** and may alternate with any other accepted rate offer.

B. Non-Alternating Rate Offers: Participants may file non-alternating, agency specific rates as identified in **RFO Section 3**. Non-Alternating rate offers will apply specifically to those Federal agencies/locations identified in **RFO Section 3** and **Section 5-1** and will not alternate with any other accepted rate offer.

1. Department of Veterans Affairs requests rate offers based on a released value of \$6.50 per pound, capped at a liability of \$110,000;
2. Department of State requests rate offers based on a released value of \$8.00 per pound on international shipments only and has modified transit times for international shipments between the United States and foreign countries.

12. Move Management Services (MMS), Pre-Payment Audit: **RFO Section 2-6.6.8**. addresses the requirement for any household goods carrier/forwarder MMS provider that wishes to become qualified to conduct the prepayment audit of transportation bills upon the request of a client agency to first obtain audit certification from GSA.

13. Basis for Determining Applicable Distance/Mileage: The following provision of this RFO supersedes all mileage references in the HTOS, with regard to determining applicable mileage/distance or Governing Publications. Per this RFO, effective **November 1, 2002**, auditing of household goods shipments handled pursuant to the HTOS will be based on mileage provided by ALK Technologies, Inc., Version **16** (coincides with PC\*Miler **16**). The carrier industry will be notified of any future Version updates. Below is the basis for construction of mileage within the conterminous United States:

- GENERAL: borders closed, shortest mileage, ferry on

For a full description of Default Settings, please refer to: <http://dtod-mtmc.belvoir.army.mil>  
Once there, click on "industry" and then on "PC\*Miler Default Settings."

**Exception: GSA has determined that all surface household goods shipments between any point in the conterminous United States and a Canadian province will be based on Rand-McNally mileage.**

14. Terms and Conditions for Bills of Lading Issued for Government Shipments: The following provision of this RFO supersedes any reference to the term "Government Bill of Lading" within the HTOS. Per this RFO, all Government shipments handled pursuant to the HTOS will be subject to the terms/conditions of **41 CFR 102-117 and 102-118**. For a

complete description of the terms/conditions, go to <http://policyworks.gov/transportation>, look under "Policies" and follow links to "41 CFR 102-117 Transportation Management" or "41 CFR 102-118 Transportation Payment and Audit."

15. Separate Billings: All Federal agency household good billings must be billed to the appropriate Federal agency separately, one per voucher. Any agency owing payment to a participant for a shipment of household goods, UAB, and/or a POV must be billed separately for each element of the shipment.

16. Electronic Rate Filing: All rate offers must be transmitted electronically. The Government will not consider any rate offer that is not transmitted electronically. Further, electronic transmissions that do not conform to formatting requirements specified in **RFO Section 6** will not be accepted. NOTE: If your firm intends to transmit its own rate offer via I-FTP instead of using a filing service, you must contact the Program Management Office (PMO) **in Kansas City, Missouri** in writing on company letterhead to obtain an I-FTP User ID and Password (**RFO Sections 1-1.5 and 1-6**).

17. Electronic Re-filings: Technically or otherwise deficient rate filings must be corrected and electronically re-filed within twelve (12) calendar days following notification to the Participant or Participant's Rate Filing Service of a deficiency (**RFO Section 1-1.7**).

18. Submission of Rates Via ITMS CD-ROM: Participants which will be submitting rate offers using the ITMS CD-ROM must contact the PMO in Kansas City, Missouri, in writing, if they have not already done so. Requests for an updated version of ITMS to file rates can be sent via fax to (816) 823-3656.

Any questions or comments may be directed to Robin Snider at (816) 823-3646 or via e-mail at [robin.snider@gsa.gov](mailto:robin.snider@gsa.gov).

Sincerely,

*/s/ Ed Hodges*

Ed Hodges. Director  
Centralized Household Goods  
Traffic Management Program (CHAMP)  
Federal Supply Service Bureau

Enclosure